

SENATE BILL No. 265

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-18-2; IC 14-23-3-3; IC 15-1.5-7-3; IC 15-1.5-8-1; IC 15-1.5-8-5.

Synopsis: Elimination of state property tax levies. Eliminates the statewide ad valorem property taxes imposed for the state forestry fund, for the state fair, and for department of local government finance data base management.

Effective: July 1, 2004.

Miller

January 8, 2004, read first time and referred to Committee on Finance.

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Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

SENATE BILL No. 265

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-18-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 2. **(a) Before January**
3 **1, 2006**, the state may not impose ~~a~~ **an ad valorem property** tax rate
4 on tangible property in excess of thirty-three hundredths of one cent
5 (\$0.0033) on each one hundred dollars (\$100) of assessed valuation.
6 The state tax rate is not subject to review by county boards of tax
7 adjustment or county auditors.

8 **(b) The state may not impose an ad valorem property tax rate**
9 **on tangible property after December 31, 2005.**

10 **(c)** This section does not apply to political subdivisions of the state.

11 SECTION 2. IC 14-23-3-3, AS AMENDED BY P.L.272-2003,
12 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2004]: Sec. 3. ~~annually~~ **(a) Before January 1, 2006**, there
14 shall **annually** be levied ~~and collected~~ as other ~~state~~ **ad valorem**
15 **property** taxes are levied ~~and collected~~ the amount of sixteen
16 hundredths of one cent (\$0.0016) upon each one hundred dollars
17 (\$100) worth of taxable property in Indiana. **An ad valorem property**



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1 tax may not be levied under this section for property taxes first due
2 and payable after December 31, 2005.

3 (b) The ad valorem property tax imposed under this section
4 shall be collected as other ad valorem property taxes are collected.
5 The county where the property tax is levied shall transfer the
6 amounts collected from the levy to the treasurer of state for deposit
7 in the fund.

8 (c) The money collected resulting from one hundred fifty-seven
9 thousandths of one cent (\$0.00157) of the rate shall be paid into the
10 fund. The money collected resulting from three thousandths of one cent
11 (\$0.00003) is appropriated to the budget agency for purposes of
12 department of local government finance data base management.

13 (d) This section expires June 30, 2006.

14 SECTION 3. IC 15-1.5-7-3 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 3. (a) The fund consists
16 of the following:

17 (1) Revenue from the property tax imposed under IC 15-1.5-8
18 before January 1, 2006.

19 (2) Appropriations made by the general assembly.

20 (3) Interest accruing from investment of money in the fund.

21 (4) Certain proceeds from the operation of the fair.

22 (b) The fund is divided into the following accounts:

23 (1) Agricultural fair revolving contingency account.

24 (2) Other accounts established by the commission.

25 (c) The money credited to the agricultural fair revolving
26 contingency account may only be used to pay start-up expenses for the
27 fair each year. Money used to pay the start-up expenses from the
28 account shall be replaced using proceeds from the operation of the fair
29 before the proceeds may be used for any other purpose.

30 SECTION 4. IC 15-1.5-8-1, AS AMENDED BY P.L.272-2003,
31 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JULY 1, 2004]: Sec. 1. A tax is imposed upon all the taxable property
33 in the state at a rate of eight hundredths of a cent (\$0.0008) for each
34 one hundred dollars (\$100) of assessed valuation for property taxes
35 first due and payable before January 1, 2006. The state may not
36 impose an ad valorem property tax under this section for property
37 taxes first due and payable after December 31, 2005.

38 SECTION 5. IC 15-1.5-8-5 IS ADDED TO THE INDIANA CODE
39 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
40 1, 2004]: Sec. 5. This chapter expires December 31, 2005.

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